



Simple Solar

Steve Bernard

Director, Customer Service and Business Development



About CFU

- Municipally owned, serve the City of Cedar Falls and outlying areas.
- Provide electric, natural gas, water, cable TV, high speed data and soon phone services
- Take pride in supporting our innovative community through excellent service, while retaining low rates



Why a Community Solar Project?

- Cedar Falls is fairly progressive and CFU well-respected, so we thought a community-based project would take hold here.
- Solar provides a good balance to wind generation.



Our Objective

Develop a community solar project that would:

- Provide for broad customer participation
- Be financially supported by those customers with an interest and willingness to participate financially
- Be local and visible in our community
- Showcase renewable energy



Our Concept

- CFU would coordinate construction of a large solar array, owned by a 3rd party (tax reasons)
- CFU would buy the energy from the owner through a long-term PPA (25 years)
- CFU would have the right, but not obligation, to purchase the array once construction tax benefits are exhausted
- Customers can participate by purchasing “units” (shares) in the array, which provides a monthly bill credit for 20 years.



Our Concept-Customer Participation

- Make an upfront payment to CFU
- Recover this over time through a monthly bill credit
- Bill credit based on the customers proportional share of the array, and based on the actual monthly production of the array
- Credit based on CFU's "avoided" cost – CFU essentially replaces market energy with this solar energy purchase



Our Concept-CFU Economics

Long term financial model considering costs and benefits to CFU (our customers)

Costs

- CFU infrastructure (transformer, fencing)
- solar power purchase for up to 25 years
- buyout cost estimate at some future year
- ongoing O&M if we do buy it out

Benefits

- value of the energy & capacity we don't buy off the market
- value of renewable energy credits
- customer contributions



Our Concept-CFU Economics

- Our objective is to make this a financial break even – so the costs and benefits are equal over time.
- The variable is the upfront customer contribution. We varied this in the model until the net present value = 0
- Thus in theory non-participating customers are not impacted.



Our Steps

Winter 2014/2015

- Identify the site
- Determine the structure of the deal for both the CFU energy purchase and customer deal
- Develop RFP and receive proposals from prospective solar developers

Spring 2015

- Began customer “pre-enrollment” campaign based on initial projected price of \$399 per Unit. Each Unit represents 170 watts AC nameplate capacity.





Pre-enrollment campaign

Direct mail to every customer

Meetings with businesses

Multiple open houses

Press release and press invitation to open house,
resulted in excellent coverage

TV advertising

Website and CFU newsletter articles

Social media

Service clubs

Farmer's Market

UNI events



Direct Mail

We Want to Bring
Simple Solar
to Cedar Falls
Will You Join Us?



Simple Solar

Investing in solar energy is a step toward sustainable living. Cedar Falls Utilities wants to partner with our customers to build a community-owned solar project and give citizens an affordable and flexible way to use solar energy.



Simple Solar from CFU is a community solar project, or a large collection of solar panels. With customer support, CFU will build and maintain the solar panels near Prairie Lakes Park in Cedar Falls. The clean energy from the panels will be used in our community. Customers have the opportunity to subscribe to a share of the energy output from the panels. Your share purchases will make community solar happen in Cedar Falls!

CFU Simple Solar shares cost \$399. If customer interest is very strong, the final cost could go down. Payment can be spread into 12 installments. Each share is expected to generate 2.5% of an average home's annual electric usage. You will receive a monthly credit on your CFU bill for the electricity generated

Why solar?

at an affordable price.

When you purchase community solar, you avoid the large up-front cost of solar panels.

Affordable costs. CFU will maintain the solar panels. No worry or hassle for you.

Great for customers whose rooftops are not suitable for solar or who are renters to participate.

Simple Solar project shares move with you when you move outside our service territory and buyouts are available within our territory.

Simple. You will receive a monthly credit on your electricity bill for the electricity generated by your share of the project for 20 years. Our estimate is a 15-year payback. If CFU's cost to purchase the solar project is lower, the solar bill credit will also go shorter.

Solar Project Meetings

June 4 at 11 a.m. and 5 p.m.

June 16 at 11 a.m. and 5 p.m.

at CFU 1 Utility Parkway

Ask questions & sign up

Customer Examples

Example One: Buys 2 shares = 340 watts

Cost = \$798

2 shares can produce 5% of the household's typical annual electric usage

Monthly bill credits are projected to range from \$2 to \$7.50 over the payment period

Example Two: Buys 8 shares = 1360 watts

Cost = \$3,192

8 shares can produce 20% of the household's annual electric usage

Monthly bill credits are projected to range from \$8 to \$30 over the payment period

To know more? Visit cfu.net/solar

or CALL 319-266-1761

Interested in Simple Solar? Let us know you are interested in Simple Solar. Fill out the information below and send it back to Cedar Falls. Or, submit this form online at cfu.net/solar.

Address:

____ shares in the CFU Community Solar Project.

Each share costs \$399. Payment can be spread into 12 installments (monthly cost per share of \$33.25). Based on customer interest, CFU will decide this summer whether the project is feasible. If the project moves forward, you will receive a subscription agreement and payment information.

Email Address (for project updates): _____

Thank you for your interest in Simple Solar!



Open Houses





CEDAR VALLEY PAGE A3

SAFE PLACE

Allen Hospital opens special care room for victims of sexual assault

LIVING PAGE A9

PROUD DAY

Austic teenager invited to join wedding party of former teacher



COMING SUNDAY
See the latest creation at
Mutchick Marvets in Gladbrook.

THE COURIER

FRIDAY | MAY 29, 2015

WATERLOO www.wcfcourier.com CEDAR FALLS

NEWSSTAND PRICE \$1

Solar power age dawns in C.F.

■ Solar garden proposed for Prairie Lakes Park.

MIKE ANDERSON
mike.anderson@wcfcourier.com

CEDAR FALLS — A little more than a dozen people gathered at the Visitor's Center on Thursday afternoon to hear about a solar garden project proposed for Prairie Lakes Park by Cedar Falls Utilities.

The project, expected to be up and running this fall, is called Simple Solar, according to Steve Bernard, CFU's director of customer service.

"We're calling it that because we want to make it simple for people interested in solar energy to get access to it," Bernard said.

Bernard made his pitch to a roomful of potential subscribers, the first of what CFU officials hope will be many during a two month push to

gauge interest for the project.

"Our ability to do this is entirely dependent on customers who are interested in this," Bernard said.

According to Bernard, the city is allowing CFU to build on three to eight acres of land at Prairie Lakes Park. The number of panels could range from 1,600 to 1,700, generating between 275 to 340 watts per panel.

See SOLAR, page A12



An artist's rendering of the Cedar Falls Utilities solar project.

Curb on parking

A5

TUESDAY
JUNE 2, 2015

www.wcfcourier.com

THE COURIER

WATERLOO / CEDAR FALLS

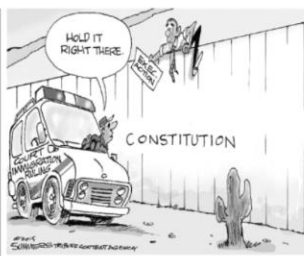
Immigration is a fight over staying power

President Obama's expansion of executive action for illegal immigrants was kept on hold when the 5th U.S. Circuit Court of Appeals denied the government's request to allow the deferred initiatives to take effect. The debate surrounding the case has been cast as a clash between a president's will and his administration's limits as described in the Constitution. But the court's opinion sheds light on the real issue: staying power.

The argument isn't all about whether the president has the authority to put such a widespread program into place — and most legal scholars agree previous immigration moves by other presidents are worthy enough precedent. It's ultimately about whether the president can give as many as half of all unauthorized residents permission to continue building lives in the U.S. is the best way to solve our broken immigration system.

Judge Jerry E. Smith outlined the decision succinctly, referring to the Deferred Action for Parental Accountability, which was an expansion of the Deferred Action for Childhood Arrivals the president launched in June 2012. Smith wrote: "Some features of DAPA are similar to prosecutorial discretion. DAPA amounts to the Secretary of Homeland Security's decision — at least temporarily — not to enforce the immigration laws as to a class of what he deems to be low-priority aliens. If that were all DAPA involved, we would have a different case. DAPA's version of deferred action, however, is more than nonenforcement: It is the affirmative act of conferring 'lawful presence' on a class of unlawfully present aliens. Though reversible, that new designation triggers eligibility for federal and state benefits that would not otherwise be available."

In an effort to limit off-the-cuff presidential action, an executive "amnesty" by immigrant advocacy organizations are leading over backdoor to undermine "lawful presence" is not the same as "lawful status."



CFU's solar power garden needs subscriber assistance

It will like to lend Cedar Falls Utilities a hand in one of its current strategies — encouraging residents and businesses to subscribe to a solar garden project.

In cooperation with the city, CFU hopes to construct a solar garden on three to eight acres of land at Prairie Lakes Park. The number of panels could range from 1,600 to 1,700, generating between 275 to 340 watts per panel. The garden could generate between 900 to 1,500 kilowatts of solar energy.

Here's the key: Whether the project lives or dies depends entirely on how many people live.

Who'll like to see it live.

As reported last week, one of the goals is to get at least 3,000 subscribers, each of whom will pay for a \$399 share in the project. According to CFU officials, each share is expected to generate 2.5 percent of an average home's electric usage. Once signed on, a homeowner would receive a monthly CFU bill credit for the electricity generated at this garden. CFU's goal is to

Conservatives need distance from Duggars

Several years ago, I heard Republican strategist Karl Rove give a most eloquent answer to a question about his faith, rendered here from memory:

Faith is a gift that, unfortunately, I have not received.

I used the same word about reality shows. Whatever was given to the millions who delight in reality TV was not received by me. This is especially so when reality, religion and politics converge in a home populated by 19 children and two compulsively fertile adults.

The referring, of course, to "19 Kids and Counting," which puts the Duggars in a home that is a kind of a holy site, factory that under similar circumstances would prompt charges of animal cruelty. The Duggars, offering an idyllic, accurate picture of a life, are actually speaking, not less. And 19 of them (not just a brood but a deluge).

As most know by now, Jim Bob and Michelle Duggar are the parents in this extraordinary popular TLC show. They left to God the number of babies they would bring forth — and could clearly not count.

Recently, even the least interested among us learned their oldest, Josh, usually prepped upon five underage girls, including some of his little sisters, 15 years ago when he was a teenage.

The Duggars' expectations were more or less the norm, not so very long ago — and many would agree the children would be better off if no parents were similarly engaged in their children's lives. This may explain in part why their show has ended among the top 25 cable shows.

Other viewers most likely have been shocked by the spectacle of so much self-inflicted agony by just one couple — and the fact no one in his or her right mind would wish to be in their shoes.

Mr. President: Rove's wisdom, Mr. Duggar's



Karl Rove

BUSINESS

BIZ BUZZ

Cedar Falls to offer solar garden



Cedar Falls Utilities plans will offer city residents shares in a new community solar garden for \$399 each. One share provides about 2.5 percent of an average home's energy.

CITY WILL JOIN OTHERS IN IOWA GIVING RESIDENTS A CHANCE TO ACCESS SOLAR ENERGY

DONNELLE ELLER | elli@wcfcourier.com

Cedar Falls is joining some Iowa communities that are giving residents and businesses an opportunity to buy into solar energy.

Cedar Falls Utilities says residents can buy a share in the new community solar garden for \$399. Simple Solar will install 3 to 8 acres in Prairie Lakes Park in the northeastern Iowa city.

The project is expected to generate 500 kilowatts of energy — enough energy to power about 100 homes a year.

The utility will provide about 3,000 shares in the project, with each share representing the output of half a solar panel. It says it's getting requests from residents for everything from one share to 25 shares.

Each share is expected to provide 2.5 percent of an average home's electric usage. The utility will credit a shareholder's bill over 20 years, with the initial share cost expected to be paid back over 15 years.

It's a good idea that many more Iowans

want, said Josh Mandelbaum, an attorney at the Environmental Law & Policy Center. The Des Moines group has been a big proponent of expanding solar energy use in Iowa. It says solar creates jobs as well as a cleaner source of energy.

Even though solar energy costs are declining, not every roof is a good location for panels because of shade and other challenges, he said.

Mandelbaum said the Iowa Utilities Board is now looking at some issues related to solar energy that could mean more Iowans gaining access.

The Cedar Falls utility expects construction of the solar garden to be finished by mid-2016.

Southwestern Iowa landfill starts accepting dead birds

Over the weekend, a landfill in southwestern Iowa began taking birds killed by bird flu or destroyed as part of the outbreak.

Sheri Bowen, a Mills County spokeswoman, said Iowa Waste Systems began accepting about 200,000 birds stricken by avian influenza on Saturday.



An incinerator was installed late last week in Cherokee County's landfill to help dispose of nearly 20 million Iowa birds that have died from avian influenza or destroyed to contain the disease.

Iowa State Bank
It's Nice To Be Home

See BUZZ, Page 11A

Pre-enrollment campaign

The customer deal:

- \$399 upfront per Unit (can pay over 12 months)
- Monthly bill credit for 20 years
- If customers move off CFU system or otherwise no longer pay a CFU electric bill, ability to transfer Units or sell them back to CFU
- Emphasized this isn't a quick financial payback for customers. No guarantees.

Would we get enough interest? To build a 500 kW array, we'd need commitments for ~ 3000 Units.



Pre-enrollment campaign



Pre-enrollment campaign

- UNI helped tremendously by signing on to roughly 20% of the array's capacity
- Customer pre-enrollments were excellent – 1300 households and businesses
- So – away we go!



Our Steps

Summer 2015

- We entered into negotiations with the preferred bidder
- Challenging, due to financing complexities, our quality requirements, and the relative immaturity of the solar market
- Based on customer interest, we negotiated for construction of the largest size for the 8 acre site, roughly 1500 kW AC (over 8,000 Units)



Our Steps

Fall 2015

- We finalized our customer agreement format, providing this to pre-enrolled customers, and are now accepting the “official” enrollment agreements from customers.
- Many of the customers are choosing to buy more Units, largely due to the price decrease from \$399 to \$270



Our Steps

Winter 2015/2016

- Formal customer enrollment continues and we get our billing system modifications made
- Construction is underway, with commercial operation date of April 1, 2016!

When complete

- Largest community solar array in the State of Iowa
- Will produce roughly 2,700 MWH per year













